

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, HELD JANUARY 19, 2010, AT 6:00 P.M., AT THE CITY COUNCIL CHAMBERS BUILDING, 826 NORTH MAIN STREET, COTTONWOOD, ARIZONA.

CALL TO ORDER AND ROLL CALL

Mayor Joens called the regular meeting to order at 6:00 p.m. Roll call was taken as follows:

COUNCIL MEMBERS PRESENT

Diane Joens, Mayor
Karen Pfeifer, Vice Mayor
Tim Elinski, Council Member
Duane Kirby, Council Member
Linda Norman, Council Member
Terence Pratt, Council Member
Darold Smith, Council Member

STAFF MEMBERS PRESENT

Doug Bartosh, City Manager
Steve Horton, City Attorney
Rick Contreras, Fire Marshall
Claude Lankford, Maintenance Supervisor
Mike Casson, Fire Chief
Kyla Allen, Executive Assistant to the City Manager

Marianne Jiménez, City Clerk
Dan Lueder, Utilities Director
Tim Costello, City Engineer
Roger Biggs, Utilities Manager
Shirley Scott, CAT Manager

PLEDGE OF ALLEGIANCE TO THE FLAG

The Pledge of Allegiance was led by Aleck Gradijan, Jr., Chairman of the Airport Commission. Mayor Joens presented Mr. Gradijan with a certificate of appreciation for his participation.

BRIEF SUMMARY OF CURRENT EVENTS BY MAYOR, CITY COUNCIL AND/OR CITY MANAGER--
THE PUBLIC BODY DOES NOT PROPOSE, DISCUSS, DELIBERATE OR TAKE LEGAL ACTION ON
ANY MATTER BROUGHT UP DURING THIS SUMMARY UNLESS THE SPECIFIC MATTER IS
PROPERLY NOTICED FOR LEGAL ACTION

Mr. Bartosh stated there would be a Planning and Zoning Commission meeting Monday, the 25th, at 6 p.m., at Mingus Union High School auditorium focusing exclusively on the Tao Fellowship Welcome Center on Highway 89A. On January 27, at 10 a.m., at the Public Safety Building, there would be a State Trust Land annexation meeting. Relating to the Tao Fellowship, a couple of small statues were stolen this weekend and the police were investigating the matter. Staff had prepared for flooding conditions due to the severe nature of the storms that were forecast this week. Sandbags were available through the fire and public works departments.

Council Member Kirby stated last Wednesday he had chaired his first advisory council meeting for NACOG with the Area Agency on Aging. This Friday, at 10 a.m., at the Sedona Community Center, the Area Agency on Aging would present a community forum to which all were invited.

Mayor Joens announced Ms. Beth Carrigan of the LightHeart Foundation passed away last weekend. The Garden Committee attended the Coffee Talk along with Council Member Smith and Mr. Bartosh, and The Verde Independent published an article with details of the meeting. Friday she attended a budget meeting of NAMWUA whose budget was reduced with a consequent reduction of Cottonwood's portion of that from \$2,096 to \$1,677. Discussions were also held about having a statewide water advisory group.

Mayor Joens then stated of all the people and organizations which better the community and deserved recognition, the Cottonwood Fire Department felt two people and one organization stood out in 2009 and wished to present them with plaques.

Chief Casson and Fire Inspector Rick Contreras stated the first recognition was the Community Outreach plaque to be given to Keith & Krys Vogler for their work with the U.S. Marine Corps and its "Toys for Tots" program. The Voglers were not in attendance and would be presented with their award at a future date. Black Hills Auto Body was being recognized for its commitment to creating and maintaining a safe working environment for staff and the community. They were awarded the 2009 Commercial Business Fire and Life Safety Award. Ms. Mayla Vancel accepted the award on behalf of Brent Deal, owner of Black Hills Auto Body.

CALL TO THE PUBLIC

There were no comments from the public.

RECOGNITION OF COUNTY ATTORNEY SHEILA POLK, CITY MANAGER DOUG BARTOSH, AND VICE MAYOR KAREN PFEIFER FOR THEIR WORK ON THE MATFORCE COALITION, REDUCING SUBSTANCE ABUSE IN THE COMMUNITY

Mayor Joens stated the Yavapai County Substance Abuse Coalition, founded by Attorney Sheila Polk was recognized as a 2009 Coalition of Excellence by the Community Anti Drug Coalition of America (CADCA).

Ms. Polk addressed the Council and stated Yavapai County had experienced an unprecedented drop in methamphetamine offenses, violent crime committed while under the influence of methamphetamine, and property crimes associated with meth, such as identity theft, trafficking in stolen property, and forgery. Felony offenses in Yavapai County had decreased by 23 percent between 2007 and 2009 and were continuing to drop. The number of methamphetamine and dangerous drug offenses had also dramatically decreased; from 798 offenses in 2006 to 424 in 2009. The Coalition of Excellence Award recognized MATForce in its success in reducing the demand for illegal substances and in

increasing opportunities for treatment of addiction. This was a non-profit coalition founded in 2006 and a successful public-private partnership. While originally focusing on meth, it was concerned with all illegal substances and activities, including underage drinking. MATForce would be recognized at CADCA's 20th annual national leadership forum in February. Co-Chairs, Ms. Polk and Mr. Bartosh would accept the award in Maryland on behalf of MATForce.

The Mayor and Council presented plaques to Ms. Polk and Mr. Bartosh in recognition of their efforts through MATForce to dramatically reduce illegal drug use and crime, and a certificate of appreciation was awarded to Vice Mayor Pfeifer for her leadership on the MATForce Coalition.

PRESENTATION OF THE QUARTERLY SAFETY AWARD TO CLAUDE LANKFORD, PUBLIC WORKS MAINTENANCE SUPERVISOR

Mr. Costello informed the Council why Mr. Lankford had been selected to receive the quarterly safety award. Mayor Joens, Vice Mayor Pfeifer, and Mr. Bartosh and Mr. Costello then presented Mr. Lankford with a certificate and check in recognition of his being selected to receive the quarterly safety award.

APPROVAL OF MINUTES—SPECIAL MEETING OF DECEMBER 15, 2009, REGULAR MEETING OF DECEMBER 15, 2009, AND REGULAR MEETING OF JANUARY 5, 2010

Mayor Joens stated there should be a correction to page 5 of the minutes of January 5 to reflect that Jean Ellen Wilder was not in attendance that night.

Council Member Kirby stated on page 7, the word "underling" should be corrected to read "underlying".

Council Member Elinski moved to approve the minutes. Council Member Kirby seconded the motion, which carried unanimously.

OLD BUSINESS—None

CONSENT AGENDA

RESOLUTION NUMBER 2493—APPROVING A CONTRACT WITH YAVAPAI COUNTY DEPARTMENT OF MEDICAL ASSISTANCE LONG TERM CARE DIVISION TO PROVIDE NON-EMERGENCY TRANSPORTATION SERVICES TO CLIENTS OF THE YAVAPAI COUNTY DEPARTMENT OF MEDICAL ASSISTANCE LONG TERM CARE DIVISION

LIQUOR LICENSE APPLICATION FOR KATHERINE LOUISE WOODS FOR KACTUS KATE'S, L.L.C., LOCATED AT 929 NORTH MAIN STREET, IN OLD TOWN COTTONWOOD

SPECIAL EVENT LIQUOR LICENSE APPLICATIONS FROM THE VERDE VALLEY FAIR

ASSOCIATION FOR A QUINCEAÑERA SCHEDULED FOR FEBRUARY 6, 2010, AND A WEDDING SCHEDULED FOR APRIL 10, 2010, AT THE VERDE VALLEY FAIRGROUNDS

Dr. Bob Richards requested Resolution Number 2493 be pulled for discussion.

Council Member Pratt moved to approve items number 2 and 3 on the consent agenda. Vice Mayor Pfeifer seconded the motion, which carried unanimously.

Council Member Kirby stated his concern regarding the number of special event liquor licenses issued for children's activities.

Mayor Joens stated discussion would now address Resolution Number 2493.

RESOLUTION NUMBER 2493—APPROVING A CONTRACT WITH YAVAPAI COUNTY DEPARTMENT OF MEDICAL ASSISTANCE LONG TERM CARE DIVISION TO PROVIDE NON-EMERGENCY TRANSPORTATION SERVICES TO CLIENTS OF THE YAVAPAI COUNTY DEPARTMENT OF MEDICAL ASSISTANCE LONG TERM CARE DIVISION

Ms. Scott stated we entered into a contract every two years with Yavapai County Long Term Care to provide non-emergency transportation services to clients of the Yavapai County Department of Medical Assistance Long Term Care Division. The agreement was for \$4.75 per passenger mile and was provided as a public service for those who needed it.

Council Member Smith asked about the billing method.

Ms. Scott stated the County was billed per passenger when the County requested the service, which was about once every three or four months.

Dr. Bob Richards, of Cottonwood, stated his concern that the contract would cost the city money at a critical time in its budget.

Council Member Pratt moved to approve Resolution Number 2493 approving the Yavapai County Long Term Care contract to go into effect on February 1, 2010, through January 31, 2012. Council Member Kirby seconded the motion, which carried unanimously.

Mayor Joens asked the City Clerk to read Resolution Number 2493 by title only.

RESOLUTION NUMBER 2493

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, APPROVING A CONTRACT WITH YAVAPAI COUNTY DEPARTMENT OF MEDICAL ASSISTANCE LONG TERM CARE DIVISION TO PROVIDE NON-EMERGENCY TRANSPORTATION SERVICES TO CLIENTS OF THE YAVAPAI COUNTY DEPARTMENT OF MEDICAL ASSISTANCE LONG TERM CARE DIVISION.

NEW BUSINESS

RESOLUTION NUMBER 2497—CONSIDERATION OF AN INTERGOVERNMENTAL AGREEMENT FOR WATER SHARING WITH THE TOWN OF CLARKDALE

Mr. Lueder stated when the City of Cottonwood and the Town of Clarkdale took ownership of the former Cottonwood Water Works system in January 2006 the system was not divided along local boundaries. It was contemplated there would be a division and sharing of water resources would continue. While the system would share water between the two communities, it would be metered and billed to the community using the larger share. Initially there would be three connections between two municipalities. Meter "A" would be at Black Hills to measure water going back and forth and it would be solar powered. Meter "B" was located at the entrance to Pine Shadows which was fed from Clarkdale's system. The City of Cottonwood had no water lines in that area though one was in the design stage. When the Cottonwood line was finally installed, Meter "B" would be used for emergencies only. Meter "C" was located at the upper entrance to Cottonwood Ranch and was served by Clarkdale's water sources. Cottonwood's system had insufficient pressure to supply water there at this time. Future development of Mesquite Hills would allow a new connection to supply the area. At that time, Meter "C", would only be used for emergency purposes. Staff proposed subtracting Cottonwood's use through Meters "B" & "C" from Clarkdale's use through Meter "A". In normal circumstances Clarkdale's use through Meter "A" would be greater than Cottonwood's through Meters "B" & "C". Staff recommended approval of the resolution and the intergovernmental agreement (IGA). Initially it would run from February 1 to June 30, then for the fiscal year. There was a clause stating that unless either party gave 90 days notice not to renew, the agreement would automatically renew for another year.

Council Member Smith asked about the cost of the solar panel.

Mr. Lueder stated the panel and stand cost approximately \$4,700 for the low voltage unit in use at the site. The cost of bringing APS power to the site would have been \$25,000. Clarkdale would be paying for half the cost of the meter installation.

Mr. Horton stated that Clarkdale's town attorney had requested some minor changes be made to the IGA. None were objectionable.

Mayor Joens asked the Council if Mr. Horton should go through the changes in detail. Consensus was there was no need to do so.

Council Member Smith moved to approve Resolution Number 2497 approving the intergovernmental agreement with the Town of Clarkdale for municipal water sharing with the changes made by the City Attorney. The motion was seconded by Council Member Norman, and carried unanimously.

Mayor Joens asked the City Clerk to read Resolution Number 2497 by title only.

RESOLUTION NUMBER 2497

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH THE TOWN OF CLARKDALE FOR MUNICIPAL WATER SHARING.

ORDINANCE NUMBER 558—AMENDING THE “1990 SEWER POLICY OF THE CITY OF COTTONWOOD, ARIZONA,” BY DELETING THE DEFINITION UU. “USER CHARGE”, UNDER SECTION 13.12.010 DEFINITIONS, AND ADDING A NEW DEFINITION UU. “USER CHARGE”;
FIRST READING

Mr. Lueder stated when the city decided to install a centralized sewer system a 1 percent sales tax had been enacted to pay for its construction. The user fees at that time were appropriated to pay for operations and maintenance costs. With the sunsetting of those bonds in July 2007, the Council made a decision to re-appropriate the 1 percent to fund things other than sewer bonds. The rate study completed at the Council's request recommended that user fees for wastewater be sufficient to fund both the operations & maintenance and the capital needs of the wastewater division. The current Sewer Policy contained clause UU., which stated a user charge was a charge levied on treatment works for the cost of operation and maintenance of such works. User charges did not include construction costs. Staff and the City Attorney recommended changes so user charge would mean the charge levied on users of the treatment works for the cost of operation, maintenance, capital construction, major repairs, replacement, and enhancements to the existing facilities and needs of such works.

Council Member Smith stated his displeasure with the proposed changes since they would allow sewer fees to be used for construction. Strategic Initiative 1 (under the Strategic Initiatives adopted by the Council) stated the cost of development should be paid for by developers. Chapter 13 of the Cottonwood General Plan stated that the cost of infrastructure should be borne by the development itself through impact fees. We only had about 5,000 sewer users and 9,000 water users. There was no need for a change at this time.

Council Member Elinski stated impact fees were intended to affect facilities necessitated by new development. The study directed by the Council showed current fees didn't cover costs.

Council Member Smith stated capital construction should be funded or subsidized from the General Fund not user fees. There was no need to change current policy.

Council Member Kirby stated policy would not change and it was important the city have funds in reserve.

Mr. Lueder stated development did pay the cost of new construction for infrastructure the city was required to put for the collection system. The proposed change was meant to pay

for replacement of old infrastructure which was now 20 years old. Wet well expansion which should have been done over a decade ago and upgrades to the reclaim system would be new construction. Staff's recommendation was based on the Council's previous direction.

Mayor Joens stated the General Fund paid for maintenance and salaries which were being squeezed now. If upgrades were to be done it seemed the Enterprise Fund which was created to support the sewer itself should be the fund used. Otherwise we would be taking away from salaries to run the sewer fund.

Vice Mayor Pfeifer asked if Council Member Smith's objections were really due to his opposition to the proposed sewer plant at Riverfront Park.

Council Member Smith stated that was part of his objection. The increased wet well capacity would be new construction whereas it should be funded from current reserves but was not called new construction.

Mr. Lueder stated the additional wet well did not exist and would be new construction but was not growth related construction. New construction did not mean serving new development. Rather it was for new capital projects.

Council Member Pratt stated sewer users would be paying the 1 percent tax regardless. He asked if re-appropriating that money would hurt another program.

Mr. Lueder stated the 1 percent formerly allocated to the sewer fund was now allocated between streets, sewer, and other projects. The 0.15 was presented as being taken away from the Enterprise Fund and being used by the General Fund.

Mayor Joens stated originally the Council wanted none of it to go to maintenance. When Brian was still here, he brought it back and said because of our growth there were more people and the money was needed to help the General Fund. Originally we said we would not do that. Quite a bit of it went to meet our day-to-day costs and keep our staff.

Council Member Smith stated now we would raise rates and use it for new construction. Once that was done rate increases would result.

Council Member Elinski stated it was important to have water and wastewater funded through user fees so they were independent from the General Fund because otherwise we would be dependent on growth to get new construction projects. Enterprise Funds should be independent of growth. If Cottonwood didn't grow for 5 years we would still need new construction.

Council Member Kirby agreed. There was a capital cost for improving the system that needed to be funded separately from growth related issues.

Mr. Lueder stated the semantics here was over "new construction" versus "new

development". There would always be construction with water and wastewater just to serve existing customers. Impact fees were for new development. This was not intended for that.

Mayor Joens stated if in the future the federal government mandated the removal of chemicals from wastewater, such as estrogens, that would require new construction to support the existing the community, just as we had to do with arsenic remediation.

Mr. Bob Oliphant, of Cottonwood, stated he disapproved of the vagueness of the new definition. The city's policy had been to charge user fees only for maintenance and operation costs. The potential for huge capital costs should not be the burden solely of 4,000 sewer users.

Dr. Bob Richards, of Cottonwood, stated he agreed with Mr. Oliphant's comments. With little or no new growth currently, there seemed little reason to raise sewer rates for capital construction. He suggested rewording the proposed amendment.

Mayor Joens asked Mr. Horton what doing something today would mean five years down the road.

Mr. Horton stated what he saw under discussion was removing a definitional constraint on the ability to have user charges go toward these purposes. It did not contemplate new development. He did not share the concerns and fears expressed. What was proposed would allow the city more latitude through user charges to pay for more things that staff said were necessary. They would be adding flexibility.

Council Member Pratt stated this item had nothing to do with raising rates. The intent was justified to give flexibility but language was very important. If it didn't specifically make exemptions, different interpretations could occur in the future. It should not be left open for interpretation.

Mayor Joens stated a future Council would do what it wanted for the needs of that time. You could not compare today's needs with 5 years from now. They would change this and they could not create policy for future Councils.

Council Member Kirby stated impact fees on new development were already the limitation on how this money could be used. It was adequate.

Mr. Bartosh stated the trend for Councils had been to loosen up language. This was an occasion where it would give the Council a little more flexibility. They ultimately would still have the choice when a project came before the Council for a decision to determine whether it was appropriate and how it would be paid for.

Mr. Lueder stated 20 years ago there was no worry about arsenic, pharmaceuticals or sewage in the waterways. Times and regulations change. Until 2005 the 1 percent sales tax funded the sewer system 100 percent. The Enterprise Fund needed to be self-funding

and additional money was needed for its funding. If the 1 percent sales tax could be re-allocated for the sewer system he would support that. He asked if changing the wording to read that user fees would not be used for development would satisfy those who opposed this change.

Mr. Horton stated if there was more work to be done on this definition before adopting this as an ordinance, a motion to table would be in order so as to give staff direction.

Vice Mayor Pfeifer moved to table the issue and give further direction. The motion was seconded by Council Member Norman, and carried with dissenting votes by Council Members Elinski, Kirby and Smith.

Mayor Joens stated the direction was to rework the item and bring it back to the Council.

NOTICE OF INTENT TO INCREASE WATER AND WASTEWATER RATES FOR THE COTTONWOOD MUNICIPAL UTILITIES

Mr. Lueder stated in August 2008 the Council approved a comprehensive study of rates originally adopted in 2004 for water and 2001 for sewer. At a work session held in July 2009 the Council directed staff to return with a notice of intent to adjust water rates. In August the notice to adjust water and wastewater rates was adopted by the Council. A discrepancy in the Water Policy regarding user fees being used for construction projects was discovered. This along with the Council's desire to postpone rate increases until 2010 resulted in postponing the necessary public hearing. Should the Council adopt the notice of intent tonight, the soonest there could be a public hearing would be March 2. The earliest adoption date and implementation for new rates would be April 2. Inquires had been received from our bonding companies because no action has been taken yet regarding our rates. Staff recommended adopting the notice of intent to adjust water and wastewater rates and to set a public hearing for March 2, 2010.

Council Member Smith stated we were being told by our bonding company we had to raise rates and if we didn't they would do it for us.

Mr. Horton stated in the bond indenture we covenanted to maintain a debt service coverage of 1.3 or 1.35. We made an agreement when we issued this debt that we would charge rates that would allow the system to have this coverage that ensured the investors who fronted the money that the principal and interest payments due them would be paid on a timely basis. The trustees for the bond holders were saying we were not keeping the promises we made in 2004-2006 to cover the debt service with this ratio. The mechanisms in those agreements permitted them to compel the city to do certain things in order to meet its promises.

Vice Mayor Pfeifer stated the League of Arizona Cities and Towns seminar she had attended explained that this was how these things worked.

Council Member Smith asked what would happen if we had \$100 million in the bank.

Mr. Horton stated these were revenue bonds, not general obligation bonds. They were secured solely by system revenues. The only remedy the bond holders had were their rights to the revenues of the system. They had rights and remedies because they had advanced money in the expectation of a secure return of principal and interest.

Mr. Bob Oliphant, of Cottonwood, stated with regard to wastewater funds it appeared spending had increased. Any rate increase would adversely impact 30 percent of the city's population, many of whom were poor, used food banks, and could not afford any rate increase.

Council Member Pratt noted that there was no direct correlation between people who used food banks and lived in poverty and those who paid sewer rates. Constituents had informed him they were against increasing sewer rates and he would be against increasing them.

Mr. Bob Rothrock, of Cottonwood, stated the Council should consider a discounted rate level or tier for people who used 5,000 gallons or less water per month as an encouragement to water conservation. This would assist single person households. The increases on sewer fees were not justified. While a self-sustaining Enterprise Fund seemed like a good idea, the city had built a recreation center with tax dollars that would require continual subsidies. He asked if the City should be subsidizing optional activities while increasing rates on something people had no choice but to use.

Council Member Smith stated he agreed with Council Member Pratt and Mr. Rothrock. Rate increases to landlords would only result in rental increases. He would not support rate increases.

Mayor Joens stated this was simply a notice of intent so they could have a public hearing and discuss it.

Council Member Elinski stated they should have the public hearing to see what the public said, and then make up their minds.

Council Member Kirby moved to approve issuing a notice of intent to adjust water and wastewater rates.

Mr. Bob Richards, of Cottonwood, stated there was no reason to increase rates. There was no written documentation about bond holders' worries. The utility funds appeared not to be in deficit. He questioned where any increased revenues would be utilized.

Council Member Pratt stated any motion made tonight would only be to have a public hearing where such questions could be asked and the appropriate responses given.

Mr. Lueder stated the costs of everything had gone up since the existing rates were set and

so had the costs of operating utilities. Even if the proposed rate increases were implemented, they would still be the lowest in the Verde Valley. There was a utility bill payment program to assist those who could not pay and its provisions had been amended to increase the number of people eligible to participate in it. While currently applicable only for water, the Council had the discretion to change that. Funds needed to be set aside now for projects that would be needed for the system in a few years.

Council Member Pratt stated he did not support rate increases. He supported giving a discount to low water uses, and he did wish to see a public hearing.

Council Member Elinski seconded the motion, which carried unanimously.

CLAIMS & ADJUSTMENTS

Council Member Kirby moved to pay the claims. Council Member Norman seconded the motion which carried unanimously.

ANNUAL REVIEW OF THE CITY MANAGER—PURSUANT TO A.R.S. § 38-431.03.(A)(1) DISCUSSION OR CONSIDERATION OF EMPLOYMENT, ASSIGNMENT, APPOINTMENT, PROMOTION, DEMOTION, DISMISSAL, SALARIES, DISCIPLINING OR RESIGNATION OF A PUBLIC OFFICER, APPOINTEE OR EMPLOYEE OF ANY PUBLIC BODY, EXCEPT THAT, WITH THE EXCEPTION OF SALARY DISCUSSIONS, AN OFFICER, APPOINTEE OR EMPLOYEE MAY DEMAND THAT THE DISCUSSION OR CONSIDERATION OCCUR AT A PUBLIC MEETING; THE COUNCIL MAY VOTE TO CONVENE INTO EXECUTIVE SESSION SUBJECT TO THE CITY MANAGER'S RIGHT TO COMPEL THE COUNCIL TO DISCUSS THIS MATTER IN OPEN MEETING.

Council Member Pratt left the meeting at this point and did not participate in the discussion of the City Manager's performance review.

Mayor Joens stated the City Manager had been sent a letter giving him 24 hours to express a desire to have this discussion in public. He had chosen to have the discussion in executive session.

Council Member Kirby moved to resolve into executive session. Council Member Norman seconded the motion, which carried unanimously.

After discussion under executive session, Council Member Kirby moved to resolve into regular session. Council Member Norman seconded the motion, which carried unanimously.

Council Member Smith left the meeting.

With a majority of the Council still in attendance, merit pay for the City Manager was discussed.

Mayor Joens asked about merit pay and Mr. Bartosh stated there was money available for

merit pay if the Council approved paying it out for the last five months of the current budget year.

The consensus of the Mayor and Council Members present was if the Council determined to maintain the merit program for the remainder of the fiscal year the City Manager should receive a 10 percent merit increase.

Council Member Kirby then made a motion that if the City Council determined that it would fund the merit pay program for the five remaining months of the budget year, the City Manager would receive a 10 percent merit increase based on his evaluation for this period. The motion was seconded by Council Member Elinski, and carried.

ADJOURNMENT

Council Member Norman moved to adjourn. Council member Kirby seconded the motion which carried unanimously. The regular meeting adjourned at 9:15 p.m.

Diane Joens, Mayor

Marianne Jiménez, City Clerk